

SERVICE DATE
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Public Service Commission of Wisconsin
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PUBLIC SERVICE COMMISSION OF WISCONSIN

Wisconsin Electric Power Company and Wisconsin Gas LLC
Conservation Activities and Voluntary Utility Programs for 2020

5-EE-2020

FINAL DECISION

This is the Final Decision in the June 25, 2019 application by Wisconsin Electric Power Company and Wisconsin Gas LLC (together known as We Energies) for approval to operate the Residential Assistance Program (RAP) voluntary energy efficiency programs in 2020-2021. We Energies also requested in a letter dated June 28, 2019, to extend the Voluntary Design Assistance Program (VDAP) into 2021. At its open meeting of October 3, 2019, the Public Service Commission of Wisconsin (Commission) considered We Energies' application and extension request.

The application and request are APPROVED.

Introduction

We Energies had two voluntary program issues before the Commission: (1) a request to continue the voluntary program known as the RAP, and (2) a request to extend VDAP, which was originally approved by the Commission to operate 2019-2020, into 2021.

RAP

The RAP helps deliver weatherization services to residential natural gas customers with incomes below 80 percent of the state median income. It provides bonus incentives on top of the incentives already provided by Focus on Energy's (Focus) Home Performance with ENERGY STAR[®] Program to cover remaining project costs that would otherwise be paid by the participant.

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Program outreach is targeted to customers in We Energies' Low-Income Pilot Program for providing payment assistance to customers.

The 2020-2021 program would continue all existing services currently offered under RAP. The proposal also expands the list of offerings to include direct installation of light emitting diode (LED) lightbulbs in order to help participants achieve greater energy savings. The program budget for each year would be \$925,000, the same as the annual budget approved by the Commission in 2018-2019. We Energies proposed a goal of 35,700 therms per year in energy savings from serving 150 homes, down from a 60,000 therms per year goal in 2018. We Energies reported that the program achieved savings of over 50,800 therms in 2018 from serving 167 homes. We Energies staff explained the lower goal adjustment was made because the Focus Home Performance with ENERGY STAR® Program lowered the deemed savings per completed Tier 2 Natural Gas Heat project to 238 therms per completed project.

VDAP

We Energies filed a request for approval to extend the VDAP into 2021. The Commission had previously approved the program to operate in 2019-2020. The proposed budget for 2021 would be \$650,000, the same as the 2020 budget. Since launching the program, We Energies has worked with Focus to approve seven customer projects scheduled for completion in 2020. According to Focus estimates, the VDAP has likely committed in excess of 70 percent of the 2020 incentive budget. However, given the lag time for new construction projects, only one project had been identified for completion in 2019. In discussions with Focus, We Energies believes that extending the program into 2021, therefore making it a full two year program, would provide better data to evaluate the success of this initiative.

Opinion

Wisconsin Admin. Code § PSC 137.08 sets forth a variety of factors the Commission must consider in reviewing a request to implement voluntary energy efficiency programs. The Commission has considered these factors and determines that the continuation and expansion of RAP is in the public interest. The proposed program includes appropriate energy efficiency measures and is appropriately coordinated with Focus program operations. Further, the proposed annual budget of \$925,000 is adequate to meet the program's goal of saving 35,700 therms per year, and past performance indicates the program is likely to achieve this goal. Therefore, the Commission determines that it is reasonable to approve the application.

After consideration of Wis. Admin. Code § 137.08, the Commission determines that the requested extension of the VDAP is also in the public interest. The proposed program includes appropriate energy efficiency measures and supports a balance of services available to customers by ensuring We Energies' customer needs are met on new construction projects. The program can be efficiently evaluated through existing Focus evaluation procedures, in order to confirm the current projection that the program is likely to achieve cost-effectiveness. Further, the proposed annual budget of \$650,000 is adequate to meet the program's goal of providing new construction services even if Focus' statewide budget is fully spent. Therefore, the Commission determines that it is reasonable to approve the application.

Findings of Fact

1. The proposed RAP is reasonable and in the public interest.
2. The proposed extension of VDAP for 2021 is reasonable and in the public interest.

Conclusions of Law

1. The Commission has the authority to approve the proposed voluntary energy efficiency programs under Wis. Stat. §§ 196.02, 196.374(2)(b)2., and 196.395, and Wis. Admin. Code § PSC 137.08.

Order

1. We Energies' application for approval to implement the RAP as a voluntary energy efficiency program for 2020-2021 is approved.

2. We Energies' request to extend the VDAP voluntary energy efficiency program into 2021 is approved.

3. This final decision takes effect one day after the date of service.

4. Jurisdiction is retained.

Dated at Madison, Wisconsin, the 14th day of November, 2019.

By the Commission:

A handwritten signature in black ink, reading "Steffany Powell Coker". The signature is written in a cursive, flowing style.

Steffany Powell Coker
Secretary to the Commission

SPC:JAS:kle DL:01705390

See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN
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**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.¹ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: March 27, 2013

¹ See *Currier v. Wisconsin Dep't of Revenue*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.